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**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

In re:  
 USA COMMERCIAL MORTGAGE COMPANY,  
 Debtor.

In re:  
 USA CAPITAL REALTY ADVISORS, LLC,  
 Debtor.

In re:  
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,  
 Debtor.

In re:  
 USA CAPITAL FIRST TRUST DEED FUND, LLC,  
 Debtor.

In re:  
 USA SECURITIES, LLC,  
 Debtor.

Affects:  
☒ All Debtors  
☐ USA Commercial Mortgage Company  
☐ USA Securities, LLC  
☐ USA Capital Realty Advisors, LLC  
☐ USA Capital Diversified Trust Deed Fund, LLC  
☐ USA First Trust Deed Fund, LLC

Case No. BK-S-06-10725 LBR  
 Case No. BK-S-06-10726 LBR  
 Case No. BK-S-06-10727 LBR  
 Case No. BK-S-06-10728 LBR  
 Case No. BK-S-06-10729 LBR

Chapter 11

**Jointly Administered Under  
 Case No. BK-S-06-10725 LBR**

Hearing Date: June 21, 2006  
 Hearing Time: 9:30 a.m.  
 Place: Courtroom 1  
 Foley Federal Building  
 300 Las Vegas Blvd. South  
 Las Vegas, Nevada 89101

**NOTICE AND HEARINGS REGARDING:**

- 1) DEBTORS' MOTION FOR ORDER APPROVING AGREEMENT WITH INVESTMENT PARTNERS (AFFECTS ALL DEBTORS);**
- 2) MOTION FOR EMERGENCY INTERIM AND PERMANENT ORDERS AUTHORIZING THE DEBTORS TO OBTAIN POST-PETITION FINANCING (AFFECTS ALL DEBTORS);**
- 3) MOTION FOR AUTHORITY TO FORBEAR AND TO PROVIDE FURTHER FUNDING FOR CERTAIN OUTSTANDING LOANS (AFFECTS DEBTOR USA COMMERCIAL MORTGAGE COMPANY, DEBTOR USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, AND DEBTOR USA CAPITAL FIRST TRUST DEED FUND, LLC);**
- 4) DEBTORS' APPLICATION FOR ADMINISTRATIVE ORDER ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS (AFFECTS ALL DEBTORS);**
- 5) MOTION TO REMOVE FERTITTA ENTERPRISES, INC. AS MEMBER OF OFFICIAL COMMITTEE OF HOLDERS OF EXECUTORY CONTRACT RIGHTS (AFFECTS USA COMMERCIAL MORTGAGE COMPANY).**

NOTICE IS HEREBY GIVEN that the Debtors have filed certain motions as set forth:

**1. Debtors' Motion For Order Approving Agreement With Investment Partners-**

This Motion requests an order of the Court approving the security agreement and related promissory note recently given by USA Investment Partners, LLC ("Investment Partners") to document a \$58.3 million obligation owed by Investment Partners and to provide collateral for that obligation (and other obligations owed by Investment Partners).

**2. Motion For Emergency Interim And Permanent Orders Authorizing The Debtors To Obtain Post-Petition Financing-**

In this Motion, the Debtors propose obtaining a post-petition financing facility with CapitalSource Finance, LLC ("CapitalSource"). The Debtors seek emergency authority on June 21, 2006 to be able to borrow sufficient funds to ensure that the Debtor can maintain its operations and to make such loans as are necessary to protect the value of the loan portfolio until a final hearing can be held on July 25, 2006. As is more fully set forth in the Motion, the agreement makes available to the Debtors a revolving credit facility of up to \$15,000,000. The funds borrowed are to be secured by a first priority security interest in all existing and after acquired (pre-petition and post-petition) tangible and intangible assets of the Debtors. In addition, CapitalSource shall have a ten business day right of first offer on all of Debtors' remaining funding for the original construction budget with respect to existing loans as

1 of the petition date, subject in each instance to bankruptcy court approval. Each additional loan to  
 2 fund future construction on existing loans will prime prior advances under the existing loan or  
 3 loans, but will not participate in the collateral for the revolving credit facility. CapitalSource, on a  
 4 case by case basis, shall also have the sole discretion to fund new loan originations generated by  
 5 USACM on terms and conditions acceptable to CapitalSource.

6 3. **Motion For Authority To Forebear And To Provide Further Funding For**  
 7 **Certain Outstanding Loans** This Motion requests that the Court authorize the Debtors to: 1)  
 8 release excess collateral for the Franklin/Stratford Loan Agreement to allow for funding of the  
 9 unfunded requirement to complete the project, 2) make an additional \$125,000 Loan Advance  
 10 from USACM to Borrower Boise/Gowan to fund the unfunded requirement to complete the  
 11 project, 3) release 3 condominiums in exchange for the net sales price (Amesbury Project) for  
 12 sales that are full value sales, and 4) forbear from declaring a default or exercising foreclosure  
 13 and other remedies on four HFA loans (HFA Monaco Loan, the HFAH Clear Lake, the HFAH  
 14 Clear Lake 2<sup>nd</sup> Loan and the HFAH Windham/Asylum Loan) until January 1, 2007 even though  
 15 the Four HFA Loans are Nonperforming Loans, in order to assist the borrowers in their efforts to  
 16 refinance these loans and pay them off in full.

17 4. **Debtors' Application For Administrative Order Establishing**  
 18 **Procedures For Interim Compensation And Reimbursement of Expenses of Professionals**  
 19 **(Affects All Debtors)**- This Application requests that procedures for compensating and  
 20 reimbursing professionals on a monthly basis be established. The procedures proposed would  
 21 allow each professional retained (with Court approval) by the Debtors or a Committee (the  
 22 "Professionals") to present to the Debtors' counsel, the United States Trustee, and counsel for each  
 23 of the Committees (collectively, the "Reviewing Parties") a detailed statement of professional  
 24 services rendered and expenses incurred each month. If no timely objection is made by a  
 25 Reviewing Party, the Debtors would be authorized to make payments equal to eighty percent  
 26 (80%) of the amount of compensation requested for the month, with the remaining twenty percent  
 27 (20%) to be withheld (the "Holdback"), and one hundred percent (100%) of expenses requested  
 28 for the month. These payments, as well as the later payment of the Holdback, would be subject to

the Court's subsequent approval as part of the normal interim fee application process, approximately every 120 days, and as part of the final fee application process after the conclusion of the cases.

5. **Motion To Remove Fertitta Enterprises As Member of Official Committee of Holders of Executory Contract Rights-** This Motion requests that the Court order the U.S.

Trustee to change the composition of the Executive Contracts Committee ("ECC") by removing Fertitta Enterprises, Inc., acting through its corporate secretary and treasurer William J. Bullard, as a member of the ECC and appointing a replacement.

Any response or objection to any of the above motions or application must be filed pursuant to the Court's "Amended Order Establishing Case Management Procedures (Affects All Debtors)" which Order provides in relevant part:

(a) Unless otherwise ordered by the Court, the deadline to file and serve Objections to Requests for Relief (the "Objection Deadline") set to be heard on an Omnibus Hearing Date shall be the earlier of: (i) fifteen (15) days after the Request for Relief is served, or (ii) five (5) business days before the applicable hearing date. An Objection Deadline concerning a Request For Relief set to be heard on an Omnibus Hearing Date may be extended with the consent of the entity filing the Request for Relief to a date that is no later than five (5) business days before the applicable hearing date.

(b) Unless otherwise ordered by the Court, the deadline to file and serve objections to Requests for Relief set on shortened time shall be no later than five (5) business days before the hearing date.

(c) Any brief filed in reply to an objection to Request for Relief shall be filed by noon the business day before the applicable hearing date.

A copy of the Motions and the Application may be obtained by accessing BMC Group, Inc.'s website at [www.bmcgroup.com/usacmc](http://www.bmcgroup.com/usacmc), by accessing PACER through the United States Bankruptcy Court website for Nevada at [www.nvb.uscourts.gov](http://www.nvb.uscourts.gov), or by contacting the office of the Debtor's counsel, Ray Quinney & Nebeker P.C., telephone: (801) 532-1500 or fax: (801) 532-7543.

If an objection is not timely filed and served, the relief requested may be granted without a hearing.

NOTICE IS FURTHER GIVEN that the hearings may be continued without further notice.

1 NOTICE IS FURTHER GIVEN that unless otherwise indicated herein, the hearings will  
2 be held before a United States Bankruptcy Judge, in the Foley Federal Building, 300 Las Vegas  
3 Boulevard South, Courtroom 3, Las Vegas, Nevada on **June 21, 2006 at 9:30 a.m.**

4 Respectfully submitted on June 14, 2006.

5  
6 /s/ JEANETTE E. MCPHERSON

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